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Ontario

# Business Plan

# Ministry of Environment and Energy

MAY 1996

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MAY 1996

# MINISTER'S MESSAGE

This document is the Business Plan of the Ministry of Environment and Energy. We are charting a course that will take us towards the next century. It is my pleasure to present the ministry's plan to our clients - the people of Ontario.

The ministry wants to achieve the results that its clients expect and deserve. In our case, these include clean air, clean water, and the protection, conservation and wise use of energy and other precious resources.

The ministry will meet these expectations by focusing on its core businesses: pollution prevention, remediation, energy planning and conservation, and environmental stewardship. The ministry is committed to maintaining a high quality of environmental protection, so that Ontarians receive full value for every Environment and Energy dollar.

The ministry will identify key environment and energy issues and provide the direction and leadership necessary to address them. It will set and enforce tough rules that protect our air, water and land. It will work co-operatively with those who seek innovative ways of meeting the rules, and prosecute those who break them.

The Business Plan will provide the opportunity to forge new and innovative partnerships with other governments, industry, organizations and the public. It will also require that human and financial resources be mobilized to complements and support these new directions.

Change of this magnitude is not easily or immediately accomplished. The ministry will constantly check and measure its performance in core business areas and emerging issues, and make any corrections necessary for maximum results.

Brenda Elliott
Minister

*The Common Sense Revolution* will have a significant impact on the way in which the government and its employees do business on a day-to-day basis, because it will demand that government does business *like* a business. In other words, in an efficient and productive manner that focuses on results and puts the customer first.

***— The Common Sense Revolution, May 1994***

# DOING BETTER FOR LESS

## *Introducing Ontario's Business Plans*

The Government of Ontario is committed to the principle of accountability to the taxpayer in everything it does.

This is a break from the past, which has seen the provincial government grow ever larger, more costly and more out of touch with the people it serves.

We are reducing the size and cost of government, to restore prosperity and unleash the forces of private-sector job creation. The challenge now is to restore accountability.

To meet that challenge, each ministry has developed a Business Plan. These plans define what the ministries' roles should be. They explore the most cost-effective ways to carry out those roles. And they set proposed performance standards so government and the public can judge how effectively ministries are doing their jobs.

Central to this approach is the principle of accountability to the shareholder.

As government, *our* shareholders are the people who pay the bills for Queen's Park: the taxpayers of Ontario.

In the coming weeks and months, we will invite concerned Ontarians to review these business plans and suggested performance measures, to help us become a more accountable government.

The result will be a set of performance measures that reflect the expectations and demands of Ontarians.

## What's in the business plans

Ministry's business plans are based on a common format:

- Ministers' messages set out the ministry's goals and how they link to the government's guiding principles.

- **Core businesses** define the primary responsibilities of the ministry -- what it must achieve to be effective. Ministries are focusing their activities on areas of key government priority. The result will be lower costs to taxpayers and better services to the public.

- **Key strategies** explain how the ministry is making changes to its core businesses. For example, many ministries are moving away from delivering programs and services themselves. Where analysis proves that services can be protected and costs reduced, ministries are creating partnerships, contracting out, privatizing or transferring functions to other levels of government.

- **Proposed performance measures** are a cornerstone of all ministries' business plans. For real accountability, the legislature and public must understand a program's objectives and be able to assess whether the objectives have been achieved. One way private sector businesses can do this is by measuring their profit levels. Measuring how public services are performing can be more complex, because the quality as well as the quantity of service must be evaluated. Setting performance standards is an evolving process and ministries will work with their stakeholders, the public and the legislature to refine their performance measures.

## Making the plans public

Publishing these plans means that, for the first time, Ontarians will be able to review the objectives of the government and assess how those objectives are being met.

Publishing business plans marks a new approach to public accountability by the Ontario government. Beginning with this publication, the government will publish ministry business plans shortly after the Budget. In future plans, ministries will report back on their performance, achievements and results of public consultations and feedback during the year.

## Next steps

The businesses plans that follow are a first step toward re-establishing public confidence in the government of Ontario. But there is still much to be done. Ministries are continuing to generate new efficiencies, to set and meet performance standards and to work toward better accountability to the public for the money they spend — in short, to do better for less.

Ministries will do so in close contact with Ontarians around the province. Over the next few months, each ministry will initiate discussions with their stakeholders and the general public, seeking comment on their business plans and proposed performance measures.

These efforts are already having an impact. The period of uncontrolled and irresponsible government spending is over. Government is already becoming more affordable, with savings for the 1996/97 fiscal year alone exceeding $5.4 billion. Ministries are protecting the services people value most. The government has met its commitment to reduce income taxes by 30 per cent over three years. And we are on track for a balanced budget in 2000-2001.

## Improving the business planning process

These business plans represent the government's first, comprehensive to create and publish frameworks for public accountability. There are many areas where improvements will be made.

**Better accountability to the legislature**

As recommended by the Ontario Financial Review Commission and by the Provincial Auditor, the government will work with the legislature to integrate business planning and performance measurement into ministers' accountability to the legislature. This will enable the legislature to effectively review ministries' spending authorities.

**Consulting the public**

The government will seek advice from the public in two ways. First, throughout the summer and early fall of 1996, ministries will be asking their stakeholders to comment on their key strategies and in particular on the performance measures set out in their business plans.

Second, members of the public are invited to comment on ministry business plans. You can do this in several ways:

- By calling 1-800-535-9949 — a toll-free line set up for this purpose — or locally in Toronto call (416) 314-2455.
- By writing your comments on the tear-off form included in this document and mailing it in.
- By writing a letter to David Johnson, Chairman of Management Board of Cabinet, who is the minister responsible for the overall business planning process.

**Detailed financial and administrative information for each ministry is provided in the government's Printed Estimates. These are available from Publications Ontario.**

# Ministry Vision and Mission

The ministry's vision is: a healthy environment, and safe, reliable, competitively priced energy.

The mission of the Ministry of Environment and Energy, in support of that vision, is to:

- protect the quality of the natural environment;
- ensure reliable and affordable energy; and
- encourage conservation of energy, material and water resources.

# KEY MINISTRY STRATEGIES

The common theme of this strategy is: "no compromise on environmental quality". The ministry will be tough on polluters, while ensuring a successful marriage of environmental protection and economic development.

The ministry's primary role is to set the future direction for environmental protection, energy supply and conservation in the province. The ministry will set tough rules and standards and will ensure that they are met. It will encourage innovative approaches to meet those rules and standards.

We will remove barriers to industry, business and municipal activities by dropping requirements that are obsolete or of little value. Without lowering the current high level of environmental protection in Ontario, these reforms will remove barriers that do not protect the environment and get in the way of job-creating economic activity and growth.

The ministry will use tax dollars wisely by focusing on environment and energy priorities. It will provide leadership and work closely with other jurisdictions to increase knowledge and eliminate duplication.

The ministry will support private enterprise, communities and individuals in developing innovative and creative partnerships to solve environmental problems. The ministry will encourage, facilitate and support new approaches and partnerships to environmental protection and energy conservation by offering advice and experience instead of writing cheques.

The ministry will constantly measure its performance and report back to the citizens of Ontario.

The ministry's approach complements the government's overall policy agenda in several ways.

- Review and reform in the energy, approvals and regulatory areas will encourage growth in the business sector while ensuring continued environmental protection.

- Innovative approaches developed to meet environment and energy priorities will ensure cost-effectiveness and the development of new technology.

- All stakeholders will receive fair treatment in the development and enforcement of programs, policies and standards.

- The ministry will be more efficient, more results oriented, and customer driven.

# Ministry Core Businesses

The Ministry of Environment and Energy performs many different activities to achieve its mission and commitment to the people of Ontario. Examples of these activities are grouped into five "core businesses," defined as the ways by which the ministry delivers value for taxpayer dollars.

## Pollution Prevention

***Prevention of environmental degradation to maintain ecosystem and human health.***

### Air Quality

Building upon its initiatives aimed at reducing industrial emissions, the ministry will develop broader measures to address urban smog. The ministry will further develop its working relationship with local governments and industries to improve air quality. Compliance activities will include spot checks and audits of industrial air emissions. We will continue to inform the public of local air quality. The ministry will ensure that industries continue to comply with acid rain regulations to maintain improvements in this area.

### Protecting the Ozone Layer

Protecting this vital layer is a global challenge. The ministry will continue to enforce standards so that Ontario achieves its targets for reducing the release of ozone-depleting substances into the atmosphere.

### Climate Change

The ministry will ensure that Ontario contributes effectively to Canada's commitment to stabilize greenhouse gas emissions. Ontario's contribution to climate change will also influence the Canadian program as outlined in the report *Meeting the Challenge of Climate Change*, which was recently released by the Canadian Council of Ministers of the Environment.

### Water Quality

Safe drinking water is a right. A plan to protect Ontario's groundwater resources will be developed. Working with municipalities, the ministry will develop a cost-effective program to assist municipal sewage treatment plants that fail to meet discharge criteria. The ministry will also confirm the province's role in ensuring that adequate water and sewage services are provided throughout Ontario. This will include a review of the mandate of the Ontario Clean Water Agency in the broad context of the government's public policy objectives; it will include looking at options for enhancing private sector investment in water and sewage infrastructure. The ministry will continue to work with industry to improve compliance with rules governing industrial discharges into surface water bodies to ensure that water quality is maintained.

**Toxics**

Toxic contaminants enter the environment from numerous sources that are difficult to control. The ministry will consolidate its efforts on toxics, and develop new performance measures, benchmarks and delivery strategies to deal with the problem. As a priority, efforts will address toxic contaminants that represent the greatest threat to human and ecosystem health. The roles and responsibilities for the public and private sector in preventing toxic releases will be clarified. In addition, the province will improve the pesticide licensing system by strengthening educational requirements for users, streamlining administration and reducing costs. The ministry will pursue partnership agreements with industrial, commercial, municipal and community sectors to expand voluntary pollution prevention activities.

**Industrial and Hazardous Waste Management**

Ontario has one of the world's best systems for ensuring that the generators of industrial and hazardous waste are safely managing treatment and disposal. The system is enforced through routine audits and spot checks. While this system is continuously being improved, the ministry will renew emphasis on its waste minimization practices by industries and business.

**Solid Waste Management**

The diversion of waste from disposal through the 3Rs (reduce, reuse, recycle) will remain a high priority for the ministry. It will equally address the safe disposal of the residual waste in landfills and incinerators. The ministry will focus on presenting the broadest range of financially and environmentally acceptable options to municipalities and the private sector.

Similarly, the ministry is developing new standards for establishing a landfill. These standards will be both clear and cost-effective and will allow proponents to proceed quickly and with certainty while ensuring environmental protection. Municipal waste disposal activities will be audited to uphold waste management standards, so that a high level of environmental protection is maintained. A continued effort to track illegal waste disposal will help protect communities and property owners.

## Environmental Remediation

***Remediation of environmental degradation, using a polluter-pay approach, to improve ecosystem and human health.***

**Site Remediation**

The ministry will introduce a new voluntary guideline on cleaning up contaminated soils that will help property owners rehabilitate "brownfield" or former industrial and commercial sites for new beneficial uses. Using environmental clean-up funds as necessary, it will also focus on the clean up of abandoned contaminated sites in Ontario that significantly risk human health and the environment.

**Emergency Response**

The ministry operates a public hotline and advises the Ministry of the Solicitor General, and

Correctional Services, municipalities and local emergency response and public health agencies, in cases involving spills, poor air conditions, and breakdowns in water and sewage treatment facilities. It follows up, where required, with investigation and enforcement.

### Great Lakes

The ministry will continue to work with local Remedial Action Plan (RAP) groups to restore identified "areas of concern" to beneficial use. The RAP program was initiated to clean up areas of concern around the Great Lakes. To date, one area of concern has been cleaned up and removed from the list, several others are nearing completion, and most have made substantial progress towards clean up. The ministry's priority will be to co-ordinate implementation of the RAP plans by industrial, municipal and community groups. Similarly, it will continue to work with the Canadian federal and U.S. governments to develop and implement lake-area management plans.

## Conservation

***Conserving energy, material and water resources and improving the efficiency of their use in an environmentally and economically sound manner.***

### Waste Reduction

Building on the success of 3Rs programs, the ministry will work with its business, municipal and community partners to consider market-based incentives for reducing waste. It will also identify ways to enhance markets for recycled products.

The 3Rs will continue to play a major role in Ontario waste systems. The focus will be on cost-effective options that will provide new jobs and on stewardship approaches that will bring the private sector to the table with municipalities and waste generators. The ministry will also work with municipalities to find more efficient and cost-effective ways to operate Blue Box and other recycling initiatives.

### Water Utilization

Co-operating with municipal water utilities and the province's water service industry, the ministry will promote the conservation and more efficient use of water.

### Energy Conservation

The ministry works with its energy sector partners in setting standards for energy efficiency, promoting its efficient use, and developing renewable energy sources.

### "Greening" of Key Sectors

The ministry will continue to promote Ontario's green industry sector and to help strengthen its competitiveness in domestic and international markets. By providing technical expertise and sharing information, the ministry is helping industrial, agricultural, institutional, government and community sectors to reduce wasteful consumption, prevent pollution and save money.

## Energy Planning

*Energy planning to secure a reliable and affordable supply of energy.*

The ministry will continue to hold Ontario Hydro accountable for maintaining an average overall rate freeze until 2001.

The ministry will direct policy on the restructuring of the electricity sector to ensure that competition in the energy industry is increased; Ontario's competitiveness is enhanced; and a reliable, competitively priced energy supply that meets all environmental and safety standards is maintained.

The ministry will continue to liaise with industry, government and stakeholders on energy issues; represent consumers at National Energy Board hearings to ensure a secure and reliable supply of energy at competitive prices; explore options to create a level regulatory playing field between natural gas and electricity; provide direction and liaise with the Ontario Energy Board to ensure consumer protection in a progressively market-driven environment for natural gas distribution.

## Environmental Stewardship

*Promoting environmental stewardship and enhancing understanding of environmental and energy issues, successes and trends.*

The ministry undertakes long-term monitoring of a wide variety of indicators to track environmental and energy trends and emerging issues, and to evaluate progress toward meeting environmental and energy objectives (including compliance measures). This information is vital for understanding whether new actions are required to address environmental issues. It is also used to assess ministry programs, including the ministry's record of successful prosecutions against environmental offenders. The ministry is responsible for administering the Environmental Bill of Rights.

To promote environmental stewardship, the ministry undertakes a variety of public information and partnership activities, including the distribution of educational materials and the hosting of the annual Environment and Energy Conference. Both help to promote ways of "greening business" and adopting a "green lifestyle."

# Performance and Accountability Measurements

Performance measures have been developed to assess and report on progress. These measures will indicate to the public how their tax dollars are used for environmental and energy purposes. The measures will ensure that the ministry is accountable for its performance in these critical areas.

Reporting on performance measures in the core business areas will be integral to future ministry Business Plans. The major outcomes and proposed performance measures are outlined below. Over the next year, the ministry will be working to refine these performance measures.

| Core Business | Outcomes | Proposed Performance Measures |
|---|---|---|
| Pollution Prevention<br><br>*Prevention of environmental degradation.* | Clean, breathable air. | Percentage of time Air Quality Index meets targets (weighted by population).<br><br>Tonnes of smog precursors emitted. |
| | Safety of municipal drinking water supplies. | Percentage of population with drinking water supplies that meet provincial guidelines.<br><br>Percentage of facilities with drinking water supplies that meet provincial guidelines. |
| Conservation<br><br>*Conservation of energy, material and water resources.* | An increase in 3Rs activities will reduce the generation of waste in Ontario. | Tonnes of secondary materials recovered. |
| | An increase in 3Rs activities will reduce the generation of waste in Ontario. | Volume of wet waste composted.<br><br>Volume of waste disposed. |
| | Improved utilization of available resources will result in fewer resources used to make more goods. | Resource use (energy, water, materials)/dollar of Provincial Gross Domestic Product. |

| CORE BUSINESS | OUTCOMES | PROPOSED PERFORMANCE MEASURES |
|---|---|---|
| Environmental Remediation<br><br>*Remediation of environmental degradation.* | Degraded ecosystems will be restored to support a broader diversity of plants and wildlife. | Reduction of the number of Areas of Concern.<br><br>Number of beneficial uses restored. |
| | The impacts of spills will be minimized by maintaining a reasonable level of preparedness for emergencies. | Number of restrictions on use of land, water or air due to spills. |
| Energy Planning | Reliable, affordable energy. | Trends in energy prices and trends in provincially controllable costs. |
| | An environmentally sound energy system. | Types and levels of emissions from the energy industry in Ontario. |
| | Renewable resource use in Ontario will increase. | Level of investment in renewable energy technology. |
| Promoting Environmental Stewardship | Increased public involvement in environmental and energy issues. | Measure public involvement. |

To: Doing Better for Less
Queen's Park,
Toronto, Ontario
M7A 1A1

From: _____

_____

_____

_____

Would you like to continue to receive information about future activities concerning the business planning project?

Yes No

Please include this sheet along with your comments and mail in an envelope to:

**DOING BETTER FOR LESS**
Queen's Park
Toronto, Ontario
M7A 1A1

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# Who to Call

Questions or comments about the ministry's business plan are welcomed and should be addressed to:

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